microcurie of plutonium. If any such test discloses more than 0.005 microcurie of radioactive material, the source shall be deemed to be leaking or losing plutonium and shall not be transferred to a general licensee under \$70.19.

[29 FR 5884, May 5, 1964, as amended at 32 FR 2563, Feb. 7, 1967; 38 FR 1272, Jan. 11, 1973; 40 FR 8792, Mar. 3, 1975; 42 FR 43966, Sept. 1, 1977; 43 FR 6925, Feb. 17, 1978]

§ 70.40 Ineligibility of certain applicants.

- A license may not be issued to the Corporation if the Commission determines that:
- (a) The Corporation is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government; or
- (b) The issuance of such a license would be inimical to—
- (1) The common defense and security of the United States; or
- (2) The maintenance of a reliable and economical domestic source of enrichment services.

[62 FR 6669, Feb. 12, 1997]

Subpart F—Acquisition, Use and Transfer of Special Nuclear Material, Creditors' Rights

§ 70.41 Authorized use of special nuclear material.

- (a) Each licensee shall confine his possession and use of special nuclear material to the locations and purposes authorized in his license. Except as otherwise provided in the license, each license issued pursuant to the regulations in this part shall carry with it the right to receive title to, own, acquire, receive, possess and use special nuclear material. Preparation for shipment and transport of special nuclear material shall be in accordance with the provisions of part 71 of this chapter.
- (b) The possession, use and transfer of any special nuclear material produced by a licensee, in connection with or as a result of use of special nuclear material received under his license,

shall be subject to the provisions of the license and the regulations in this part.

[21 FR 764, Feb. 3, 1956, as amended at 38 FR 33970, Dec. 10, 1973; 43 FR 6925, Feb. 17, 1978]

§ 70.42 Transfer of special nuclear material.

- (a) No licensee shall transfer special nuclear material except as authorized pursuant to this section.
- (b) Except as otherwise provided in his license and subject to the provisions of paragraphs (c) and (d) of this section, any licensee may transfer special nuclear material:
 - (1) To the Department:
- (2) To the agency in any Agreement State which regulates radioactive materials pursuant to an agreement with the Commission or the Atomic Energy Commission under section 274 of the Act, if the quantity transferred is not sufficient to form a critical mass;
- (3) To any person exempt from the licensing requirements of the Act and regulations in this part, to the extent permitted under such exemption;
- (4) To any person in an Agreement State, subject to the jurisdiction of that State, who has been exempted from the licensing requirements and regulations of that State, to the extent permitted under such exemption;
- (5) To any person authorized to receive such special nuclear material under terms of a specific license or a general license or their equivalents issued by the Commission or an Agreement State:
- (6) To any person abroad pursuant to an export license issued under part 110 of this chapter; or
- (7) As otherwise authorized by the Commission in writing.
- (c) Before transferring special nuclear material to a specific licensee of the Commission or an Agreement State or to a general licensee who is required to register with the Commission or with an Agreement State prior to receipt of the special nuclear material, the licensee transferring the material shall verify that the transferee's license authorizes receipt of the type, form, and quantity of special nuclear material to be transferred.
- (d) The following methods for the verification required by paragraph (c) of this section are acceptable: